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PRECONTRACT APPROVAL RECORD  
(PART TWO)

CONTRACT

The services and equipment being procured by this Contract No. FH-2515  
Amendment No. 14 are in furtherance of the [redacted]  
Program(s), the nature of which cannot be publicly disclosed for security rea-  
sons. The Contracting Officer therefore determines that this procurement must  
be accomplished by negotiations pursuant to the authority of Section 3(a) of  
PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on  
15 October 1961.

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Certification of funds for this contract will be handled under the pro-  
cedure approved by the Director of Central Intelligence on 15 December 1956  
which, in effect, results in all covert expenses involving issuance of Treasury  
Checks being accumulated in a separate account within the Finance Division. The  
amounts in this account will be periodically scheduled for certification of the  
vouchers by the Director. This procedure eliminates the necessity for a sepa-  
rate certification of authority under Section 8(b) of Public Law 110, 81st Con-  
gress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the  
terms and provisions generally of this contract/amendment, and a resume of  
major issues negotiated:

Contract No. FH-2515 provided for R&D and testing of two (2)  
each prototype System 20 [redacted] now in opera-  
tional use in U-2R A/C.

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The R&D contract was initiated 28 October 1965 and work  
has been completed with exception of [redacted] effort added by  
Amendment No. 6, i.e., redesign, prototypes for target elevation  
position encoding.

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Although Amendment No. 6 was effective June 1967, it was  
understood at that time that the effort could not be accomplished  
until 90 days after completion and acceptance of the 2 prototypes.  
When the prototypes were delivered, they immediately were put into  
use for operational purposes, therefor, never available for the  
encoder effort.

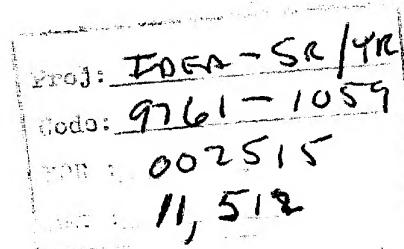
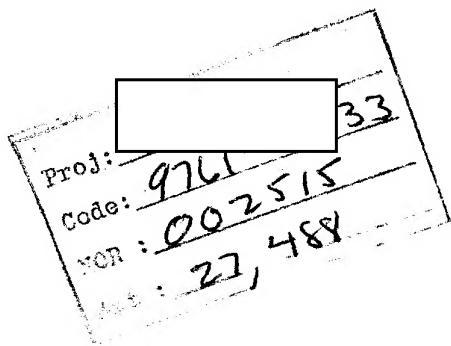
It is in best interest of Government (see attached memo  
OEL-013/70) to transfer encoder effort to Contract No. AG-1102  
and close out FH-2515. AG-1102 is a CPFF R&D contract for  
producing a prototype Target Rate Discriminator for System 20.  
Prototype No. 1 has been delivered to the Contractor for this  
program as GFE. The encoder work will be done simultaneously  
with other effort performed under AG-1102.

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LEDGER	JCL
CONTRACT	[initials]
REGISTER	JCL

After execution of transfer of encoder effort to AG-1102, this contract will be ready for closing.

ASD/OEL has supplied Certificate of Satisfactory Performance and acceptance of deliverable items. Final audit has been requested from IAD. All GFE and residual inventory will be transferred to AG-1102.

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PRECONTRACT APPROVAL RECORD (PART TWO)	CONTRACT
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The services and equipment being procured by this Contract No. FH-2515 Amendment No. 13 are in furtherance of the \_\_\_\_\_ Program(s), the nature of which cannot be publicly disclosed for security reasons. The Contracting Officer therefore determines that this procurement must be accomplished by negotiations pursuant to the authority of Section 3(a) of PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on 15 October 1961.

Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Subject CPFF Contract FH-2515 monitored technically by ASD/OEL provides for the research & development and subsequent test and evaluation of the two prototype System-20 [redacted]

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After development and initial testing of Prototype #1 it was determined that the system, although apparently a success, would have to be modified and retrofitted for cantilever installation withing the wing rather than mounted under the wing on the pylon as originally designed.

ASD/OEL by agreement with Avionics/MD/OSA retained custody and responsibility for Prototype #1 and Prototype #2 was turned over to Avionics.

The cost of retrofitting both prototypes is being accomplished under this contract, however OEL is funding Prototype #1 in the total amount of \$17,488 and Avionics is funding Prototype #2 in the total amount of \$26,755. (Part of work to Prototype #1 had been accomplished under an earlier amendment to this contract).

Negotiations of this and other tasks covered under AG-1100 were accomplished at the Contractor's plant in [redacted] on 2/11/69 attended by:

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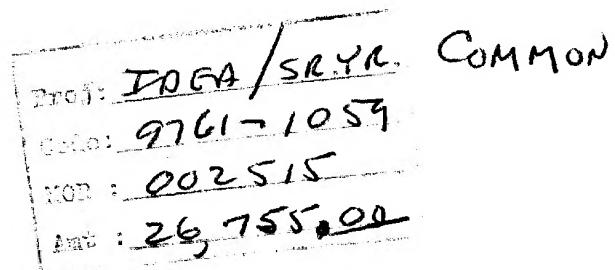
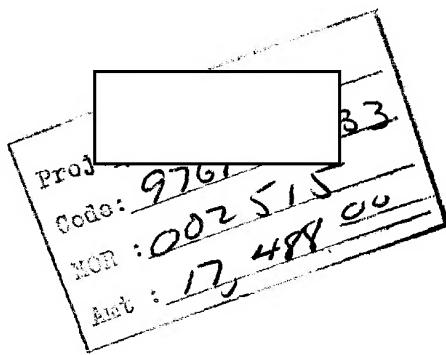
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A formal audit was not requested, however, the rates were checked and recommended as acceptable by DCAA. Fee of  25X1A customarily allowable under this contract was deemed reasonable. However no fee was allowed on apparent \$3,700 overrun incurred on work on Prototype #2 since submission of original proposal.

This amendment does not affect cost ceiling previously imposed on CPFF work through Amendment No. 12. No ceiling is being put on new scope added by this Amendment No. 13. The possibility of closing this contract as soon as possible was discussed at the meeting. It is hoped that this can be done in the near future by writing a service-type contract with Aerojet to cover OEL's needs for Prototype #1 support.

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PRECONTRACT APPROVAL RECORD (PART TWO)	CONTRACT
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The services and equipment being procured by this Contract No FH-2515  
Amendment No. 12 are in furtherance of the \_\_\_\_\_  
Program(s), the nature of which cannot be publicly disclosed for security rea-  
sons. The Contracting Officer therefore determines that this procurement must  
be accomplished by negotiations pursuant to the authority of Section 3(a) of  
PL 81-110 and Class Determination and Finding, OXC 2122, signed by the DDCI on  
15 October 1961.

Certification of funds for this contract will be handled under the pro-  
cedure approved by the Director of Central Intelligence on 15 December 1956  
which, in effect, results in all covert expenses involving issuance of Treasury  
Checks being accumulated in a separate account within the Finance Division. The  
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rate certification of authority under Section 8(b) of Public Law 110, 81st Con-  
gress (formerly 10(b) - see 85-507 dated 7/7/58) for each contract.

The following comments describe the procurement hereby effected, the terms and provisions generally of this contract/amendment, and a resume of major issues negotiated:

Subject contract provides for R&D, testing, and evaluation of Prototype System 20.

Amendment #12 adds \$10,000 in T&M funds for field test support, up-dates T&M rates negotiated May 1966 and extends completion date of contract.

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This amendment does not affect cost limitation previously imposed on this contract because it is an increase in scope.

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